Maintenance Production

Corpus Christi Army Depot (CCAD)

Presented to:
Mr. David Mills
Executive Deputy to the Commanding General, AMC

11 Feb 04

Presented by:
Mr. James Flinn, III
Deputy to the Commanding General, AMCOM

Bottom Line Up Front

- ***Parts Acceleration***
- ***Industry Parts Acceleration***
- ***CCAD Parts Tracker***
- ***DCG Review by Tail #***
- ***Industry Days***

CCAD

- **Will execute the Jan 04 Plan**
- **FY04 New Order Plan is $49M over 30.5% contract (Sep 03) carry-over target**
- **FY03 Carry-over is $87M over the 97% contract (Sep 03)**
- **Driven by Airframe Programs, long-leadtime parts**
- **Analyzing options to reduce $49M**

LEAD

- **Will execute the Jan 04 Plan**
- **Result is $2.5M over 28.0% contract (Sep 03) carry-over target**
- **Will surge to absorb the $2.5M**
- **Under carry-over ceiling**

CCAD FY03 Carry-In to FY04

Sep 03 CONTRA

97% Completion $19M Reset Carry-over

Jan 03 EXEC. PLAN

75% Completion $106M Carry-over

CUSTOMER	TOTAL PRIOR YEAR CARRY IN	Carry in PRIOR TO FY03	Carry in FY03 ONLY	EXECUTION PLAN Total	FY 03 Work	< FY03 Work	PROJECTED CARRY OUT
OMA 01/34	231.785	40.099	191.686	129.069	88.970	40.099	102.716
SMA 21	93.361	0.280	93.081	93.361	93.081	0.280	0.000
APA 24	11.815	1.193	10.622	11.815	10.622	1.193	0.000
AF 25	11.933	0.143	11.790	8.353	8.210	0.143	3.580
NAVY 26	31.995	0.416	31.579	31.995	31.579	0.416	0.000
NG 35	23.997	12.622	11.375	23.997	11.375	12.622	0.000
AR 36	0.000	0.000	0.000	0.000	0.000	0.000	0.000
FMS 48	9.138	1.892	7.246	9.138	7.246	1.892	0.000
RDTE 33	0.192	0.000	0.192	0.192	0.192	0.000	0.000
OTHER	1.652	0.000	1.652	1.652	1.652	0.000	0.000
DEPOT MAIN	13.837	0.000	13.837	13.837	13.837	0.000	0.000
TOTAL	429.705	56.645	373.060	323.409	266.764	56.645	106.296
	34.600			Long leadtime structural kits			34.600
	395.105						71.696

Corpus Christi Army Depot (CCAD)
FY04 New Orders

CONTRACT

CUST	BES ORDERS RECEIVED	BES OUTLAY RATE	BES CARRYOVER TARGET	BES BUDGETED CARRYOVER	BES DELTA	CONTRACT ORDERS RECEIVED	CONTRACT OUTLAY RATE	CONTRACT CARRYOVER TARGET	CONTRACT BUDGETED CARRYOVER	CONTRACT DELTA	FY04 EXECUTION PLAN ORDERS RECEIVED	FY04 EXECUTION PLAN OUTLAY RATE	FY04 EXECUTION PLAN CARRYOVER TARGET	FY04 EXECUTION PLAN BUDGETED CARRYOVER	FY04 EXECUTION PLAN DELTA
OMA (01,34)	174.248	0.69	54.017	66.841	12.824	236.849	0.69	73.423	86.247	12.824	183.537	0.69	56.896		
ARNG (35)	20.600	0.72	5.824	13.334	7.510	20.600	0.72	5.824	13.334	7.510	11.300	0.72	3.164		
AR(36)	6.653	0.68	2.126		-2.126	6.653	0.68	2.126	0	-2.126	0.000	0.68	0.000		
PROCUREMENT(24)	3.267	0.18	2.678	2.678	0.000	3.267	0.18	2.678	2.678	0.000	26.697	0.18	21.892		
AWCF(21)	348.951	0.69	108.175	101.476	-6.699	348.951	0.69	108.175	101.476	-6.699	476.035	0.69	147.571		
AF(25)	20.697	0.70	6.197	2.836	-3.361	20.697	0.70	6.197	2.836	-3.361	20.697	0.7	6.209		
NAVY(26)	81.476	0.74	21.472	13.13	-8.342	81.476	0.74	21.472	13.13	-8.342	86.300	0.74	22.438		
RDTE(33)	0.000	0.53	0		0.000	0.000	0.53	0		0.000	6.200	0.53	2.914		
OTHER	0.000	0.78	0		0.000	0.000	0.78	0		0.000		0.78			
TOTAL DoD	**655.892**		**200.489**	**200.295**	**-0.194**	**718.493**		**219.895**	**219.701**	**-0.194**	**810.766**		**261.084**	**296.327**	**35.243**
FMS(48)	4.500		na	na	na	4.500		na	na	na	4.500		na	na	na
TOTAL NEW ORDERS	**660.392**		**200.489**	**200.295**	**-0.194**	**722.993**		**219.895**	**219.701**	**-0.194**	**815.266**		**261.084**	**296.327**	**35.243**

Over Target

	TOTAL NEW ORDERS		655.892			TOTAL NEW ORDERS		718.493			TOTAL NEW ORDERS		810.766		
	CARRYOVER TARGET		200.489			CARRYOVER TARGET		219.895			CARRYOVER TARGET		261.084		
	BUDGET CARRYOVER		200.295	30.50%		BUDGET CARRYOVER		219.701	30.50%		BUDGET CARRYOVER		296.327	36.55%	
	DELTA		-0.194			DELTA		-0.194			DELTA		35.243		
	REVENUE	745.6				**REVENUE**	901.4				**REVENUE**	837.8			
	EXPENSE	727.7				**EXPENSE**	875.1				**EXPENSE**	794.6			
	NOR	17.9				**NOR**	26.3				**NOR**	43.3			
	DLH	3.464				**DLH**	3.666				**DLH**	3.738			
	END STR	2937				**END STR**	3148				**END STR**	3177			

	Projected
Revenue PY	323.409
Revenue CY	514.439
Total	837.848

$49.043M
Over Reset Target
(30.5%)

Assumptions

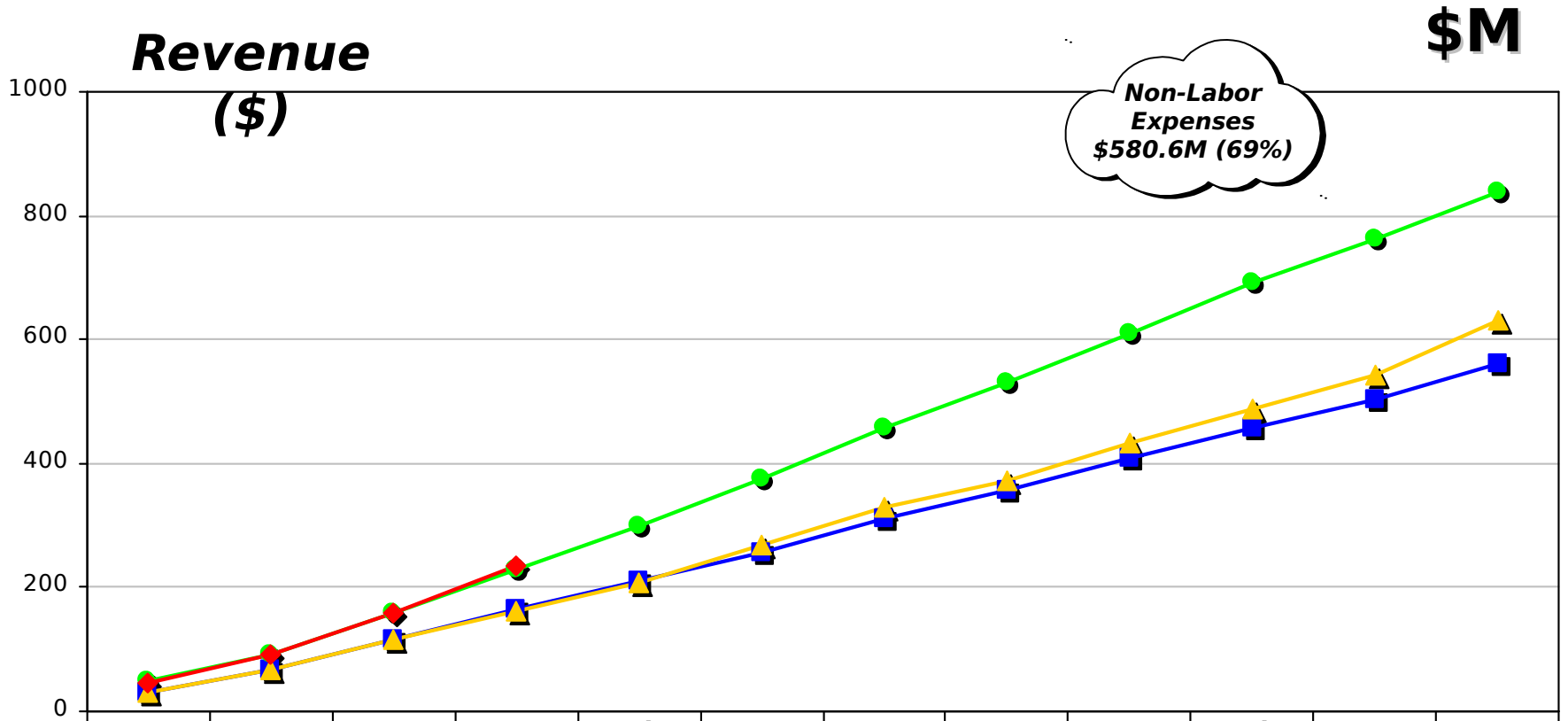
- All parts and assets will be available when required
- Component parts pre-positioned 90 days in advance
- Sikorsky to deliver airframe structural kits
- In-theatre crash damage inductions to occur 1QFY04

What Changed?

$M

	FY03 Contract Delta		FY04 Contract Delta		
Reset	**223.6**	**+32.0**	**62.6**	**-39 (-11)**	**(Adjusted $11.0M for San Angelo work on Apaches)**
National Guard			**20.6**	**-9.3**	**(Workload not materialized)**
Procurement			**3.3**	**+23.4**	**(Engine workload for PM)**
AWCF			**349.0**	**+127.0**	**(Surge, Adjusted to realistic execution value)**
Navy			**81.5**	**+4.8**	**(Adjusted to realistic execution value)**
Other			**0**	**+10.7**	**(PIF-Chinook Recap)**

Revenue
CCAD - Cumulative



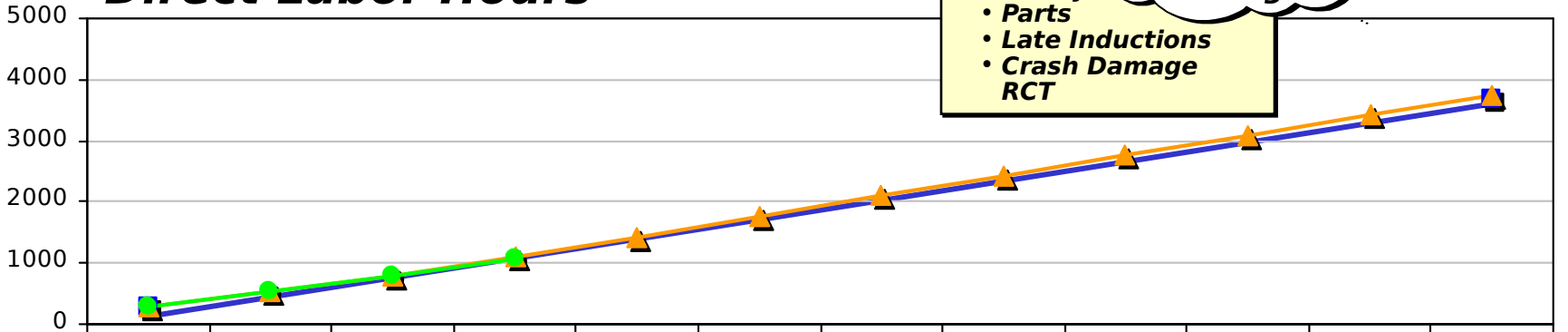
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY03 Plan	31.4	67.9	116.0	164.3	211.5	254.9	309.8	356.9	408.4	456.1	504.3	560.9
FY03 Actual	31.4	67.9	116.0	163.1	207.5	268.4	329.3	372.3	431.9	486.6	543.7	631.8
FY04 Plan	48.6	92.0	157.8	227.4	297.9	374.9	457.6	529.6	609.4	690.7	761.8	837.8
FY04 Actual	46.8	92.0	157.8	235.4								

Production Plan
CCAD

$49M over carry-over ceiling

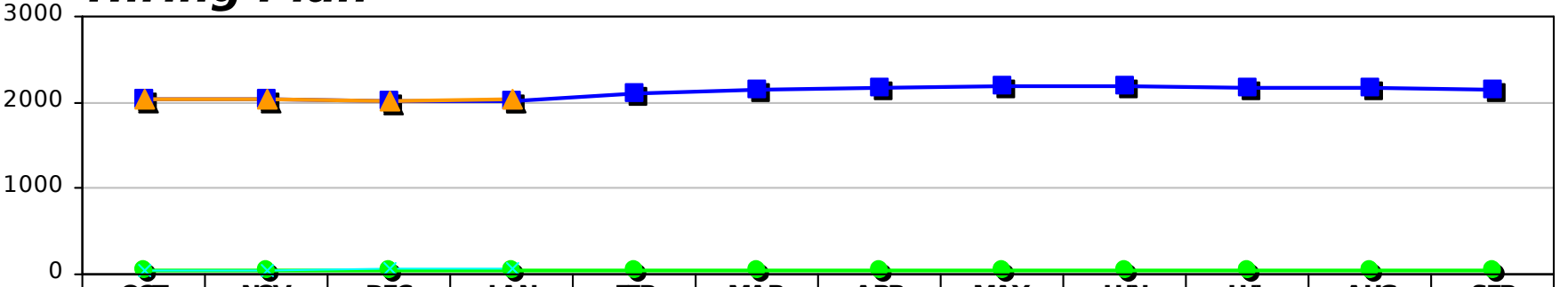
Driven by:
- Parts
- Late Inductions
- Crash Damage RCT

Direct Labor Hours



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Contract	274											3,666
Execution Plan	294	530	797	1,114	1,417	1,771	2,110	2,421	2,759	3,068	3,415	3,738
Actual	295	530	797	1,082								

Hiring Plan



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Govt Plan	2026	2037	2022	2022	2100	2150	2170	2185	2180	2170	2170	2155
Govt Actual	2026	2037	2022	2040								
CFT Plan	38	50	50	51	51	51	51	51	51	51	54	54
CFT Actual	46	52	57	59								

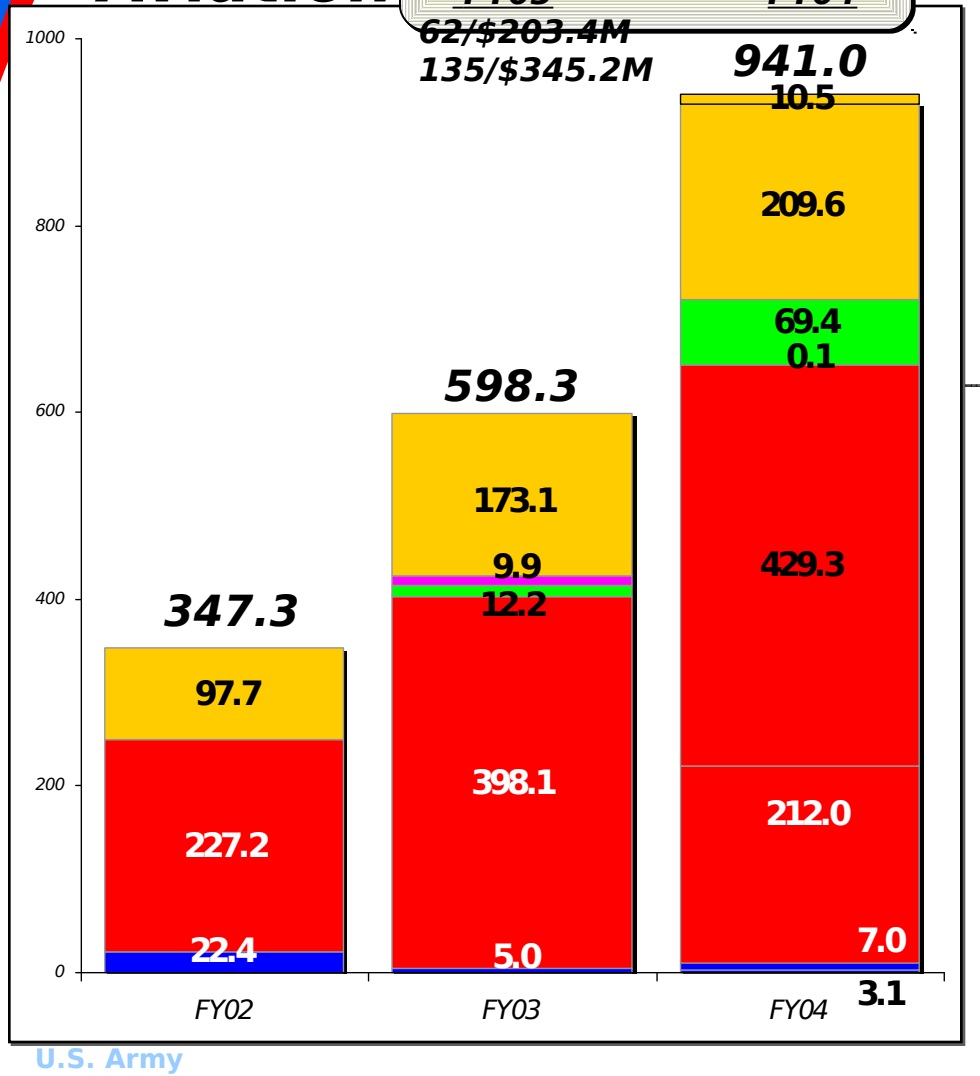
AMCOM
$M National Maintenance Contracts

A/O
9 Feb 04

Aviation

Dual Sourced Components

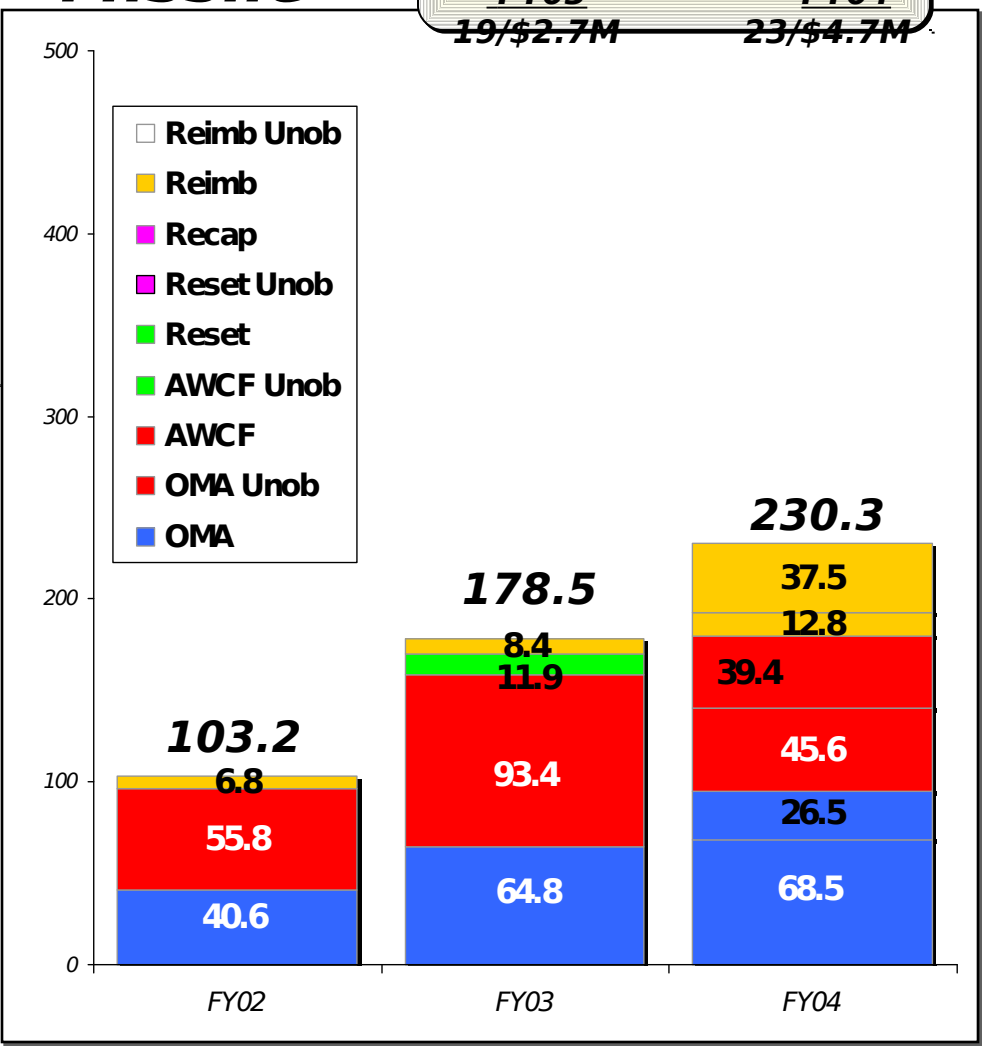
FY03	FY04
62/$203.4M	135/$345.2M



Missile

Dual Sourced Components

FY03	FY04
19/$2.7M	23/$4.7M



AMCOM Industry Days
12-14 Jan 04

- **Targeted 9 major suppliers ($3.8B investment since FY02)**
- **Objectives**
  - **Apprise key industry partners of future operational requirements**
  - **Develop plans to aggressively accelerate delivery dates and exponentially increase yields for spares**
- **Results**
  - **Commitments from Industry to:**
    - **Accelerate and increase yields**

      Ex: - Increase in yield on UH-60 main and tail rotor blades

      - Reduce leadtime by 50% for OH-58 hubs and tail booms
    - **Invest in tooling and long lead materiel on critical items**

      Ex: - $30M investment in OH-58 parts to reduce leadtime

      - Tooling investments on UH-60 main rotor blades
  - **Commitments to leverage partnership efforts and provide improved support to CCAD**

    Example of Success: Joint Boeing/CCAD Evaluation Team for AH-64 aircraft resulting in immediate identification and availability of required materiel

CCAD Prior Year Carry-In
FY03

CUSTOMER	TOTAL PRIOR YEAR CARRY IN	Carry in PRIOR TO FY03	Carry in FY03 ONLY	EXECUTION Total	FY 03 Work	< FY03 Work	PROJECTED CARRY OUT	WHAT IS NOT GOING TO GET DONE?	OPTIONS
OMA 01/	231.785	40.099	191.686	129.069	88.970	40.099	102.716	End item A/C with long lead time parts	
SMA 21	93.361	0.280	93.081	93.361	93.081	0.280	0.000		
APA 24	11.815	1.193	10.622	11.815	10.622	1.193	0.000		
AF 25	11.933	0.143	11.790	8.353	8.210	0.143	3.580	End item A/C with long lead time parts	
NAVY 26	31.995	0.416	31.579	31.995	31.579	0.416	0.000		
NG 35	23.997	12.622	11.375	23.997	11.375	12.622	0.000		
AR 36	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
FMS 48	9.138	1.892	7.246	9.138	7.246	1.892	0.000		
RDTE 33	0.192	0.000	0.192	0.192	0.192	0.000	0.000		
OTHER	1.652	0.000	1.652	1.652	1.652	0.000	0.000		
DEPOT M	13.837	0.000	13.837	13.837	13.837	0.000	0.000		
TOTAL	429.705	56.645	373.060	323.409	266.764	56.645	106.296		
	34.600						34.600	long lead time structural kits (cc 34)	off-load to AMCOM
	395.105						71.696	3EB101, 3NH150, 3DM196	for contract award
								carry out percent	

CCAD New Orders
FY04

CUSTOMER	NEW ORDERS	PROJECTED EXECUTION	PROJECTED CARRY OUT	WHAT IS NOT GOING TO GET DONE?	OPTIONS
OMA 01/34	183.537	83.449	100.088		
SMA 21	476.035	328.464	147.571		
APA 24	26.697	18.688	8.009		
AF 25	20.697	10.349	10.348		
NAVY 26	86.300	58.684	27.616		
NG 35	11.300	6.780	4.520		
AR 36	0.000	0.000	0.000		
FMS 48	4.500	3.375	1.125		
RDTE 33	6.200	4.650	1.550		
OTHER	0.000	0.000	0.000		
DEPOT MAINT	0.000	0.000	0.000		
TOTAL	815.266	514.439	300.827		

$49.043M
Over Reset Target
(30.5%)

FY04 Execution Plan
Industrial Activities Business (DMA ORD)
CCAD

CATEGORY	October	November	December	January	February	March	April	May	June	July	August	September
REVENUE (Monthly)												
REVENUE FROM SALES GOODS & SVCS	46.763	91.994	157.747	227.357	297.868	374.911	457.587	529.600	609.422	690.746	761.782	837.848
EXPENSES (Monthly)												
COST OF GOODS PRODUCED (CGP)	43.088	85.657	159.627	226.595	297.326	372.303	444.803	512.703	584.758	651.627	725.174	794.556
Personnel Pay/Benefits	16.784	33.422	49.402	66.904	88.504	107.601	125.96	142.846	161.092	177.823	196.509	213.967
Supplies & Materials	20.375	45.248	84.262	126.626	165.558	210.923	254.378	294.404	337.780	377.559	421.974	463.406
Other Expenses	2.563	7.938	20.950	29.864	39.213	48.879	58.718	68.860	78.447	87.978	97.590	107.249
Depreciation	0.643	1.490	2.333	3.201	4.051	4.900	5.747	6.593	7.439	8.267	9.101	9.934
Miscellaneous Gains/Losses	2.723	(2.441)	2.680									
Change in Work In Process (Monthly)												
COST OF GOODS SOLD	43.088	85.657	159.627	226.595	297.326	372.303	444.803	512.703	584.758	651.627	725.174	794.556
OPERATING NOR	3.675	6.337	(1.880)	0.762	0.542	2.608	12.784	16.897	24.664	39.119	36.608	43.292
LESS CASH SURCHARGE EARNINGS (Monthly)												
RECOVERABLE NOR	3.675	6.337	(1.880)	0.762	0.542	2.608	12.784	16.897	24.664	39.119	36.608	43.292
CASH (Monthly)												
COLLECTIONS	61.593	109.646	169.143	239.320	309.381	383.159	463.019	540.364	616.282	696.855	773.035	846.586
DISBURSEMENTS	51.064	104.969	171.116	237.768	308.787	381.278	459.827	527.454	597.877	664.647	736.132	812.478
OUTLAYS	-10.529	-4.677	1.973	-1.552	-0.594	-1.881	-3.192	-12.910	-18.405	-32.208	-36.903	-34.108
ACCOUNTS RECEIVABLE (Qtrly)			35.372			38.522			39.911			38.033
ACCOUNTS PAYABLE (Qtrly)			88.716			72.567			73.864			76.498
TOTAL NEW ORDERS (Monthly)	**430.263**	**510.703**	**584.965**	**601.590**	**617.972**	**674.705**	**686.645**	**701.476**	**729.295**	**780.886**	**806.629**	**815.309**
OMA	**0.000**	**5.623**	**34.371**	**47.576**	**62.358**	**89.994**	**100.434**	**107.215**	**132.684**	**147.233**	**170.926**	**183.580**
– AMC Maintenance OMA	0.000	0.446	0.446	15.479	16.125	31.717	32.957	33.406	35.575	36.024	36.617	38.276
– Non-AMC (PEO/PM) OMA	0	5.177	33.925	32.097	46.233	58.277	67.477	73.809	97.109	111.209	134.309	145.304
– Other OMA (i.e. IMA, etc.)												
Procurement (Army only)	**0**	**20.083**	**20.400**	**20.800**	**20.800**	**23.297**	**23.297**	**24.147**	**24.997**	**25.847**	**26.697**	**26.697**
AWCF, Army	405.935	450.086	487.768	481.003	481.003	481.003	481.003	481.003	481.003	481.003	481.003	476.035
Other Orders	**24.328**	**34.911**	**42.426**	**52.211**	**53.811**	**80.411**	**81.911**	**89.111**	**90.611**	**126.803**	**128.003**	**128.997**
– OMAR												
– OMANG	0.000	0.700	0.700	0.700	0.700	0.700	0.700	6.400	6.400	11.300	11.300	11.300
– Air Force (O&M, Procurement, WCF)	2.094	5.333	10.803	11.607	12.807	14.007	15.207	16.407	17.607	18.807	19.807	20.697
– Navy (O&M, Procurement, WCF)	22.124	29.520	30.789	31.508	31.508	56.508	56.508	56.508	56.508	86.300	86.300	86.300
– Marine Corps (O&M, Procurement, WCF)												
– All Other	0.110	-0.642	0.134	8.396	8.796	9.196	9.496	9.796	10.096	10.396	10.596	10.700
PERSONNEL DATA (Qrtly)												
RIF												
End Strength												
Effective Date												
Cost												
VSIP/VERA												
End Strength												
Effective Date												
Cost												
Attrition Rate												
Number of Personnel Attrited												

FY04 Execution Plan (cont)
Industrial Activities Business (DMA ORD)
CCAD

CATEGORY	October	November	December	January	February	March	April	May	June	July	August	September
MANPOWER (Monthly)												
Civilian End Strength	3,050	3,052	3,086	3,177	3,177	3,177	3,177	3,177	3,177	3,177	3,177	3,177
Civilian WKYRS/FTE (w/o overtime)	264.8	498.0	768.3	1028.9	1266.5	1537.3	1798.8	2049	2309.8	2571.8	2832.6	3094.1
Productive Direct Labor Hours	294.918	530.063	797.019	1,114.473	1,416.642	1,771.250	2,110.103	2,420.973	2,759.355	3,068.343	3,415.191	3,737.615
Regular Hours	273.437	486.364	725.953	1011.613	1283.519	1602.612	1907.527	2187.263	2491.755	2769.797	3081.907	3372.011
Overtime Hours	21.481	43.699	71.066	102.86	133.123	168.638	202.576	233.71	267.6	298.546	333.284	365.604
Contractor Field Teams	7.732	13.490	21.573	28.266	34.598	42.168	49.366	55.904	63.091	69.584	76.971	83.778
Productive Direct Labor Hours incl CFT's	302.650	543.553	818.592	1,142.739	1,451.240	1,813.418	2,159.469	2,476.877	2,822.446	3,137.927	3,492.162	3,821.393
Productive Yield	140.0	259.0	368.8	499.0	627.5	778.3	922.4	1054.6	1198.5	1329.9	1477.4	1615.0
Revenue Per DLH w/CFT's	154.512	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Expense Per DLH w/ CFT's	142.369	193.116	209.037	208.069	212.775	210.254	212.935	212.951	211.829	211.811	210.795	212.613
UNIT COST DATA (Monthly)												
DIRECT	**30.793**	**56.823**	**114.747**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Labor	9.734	18.457	28.242									
Materials	20.716	37.681	78.822									
Other	0.343	0.684	7.683									
INDIRECT	**11.982**	**26.512**	**42.054**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Labor	6.862	14.644	21.085									
Materials	2.459	3.991	6.953									
Other	2.661	7.877	14.016									
GENERAL & ADMINISTRATIVE	**0.313**	**2.322**	**2.825**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Labor	0.202	0.594	0.673									
Materials	0.003	1.297	1.310									
Other	0.108	0.431	0.842									
TOTAL (CGP equal to line12 above)	**43.088**	**85.657**	**159.626**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Unit Cost based on CGP	$146.102	$161.597	$200.279	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000
Change in WIP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cost of Goods Sold (CGS) (equal to line 19)	43.088	85.657	159.626	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Unit Cost Based on CGS	$146.10	$161.60	$200.28	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
CAPITAL INVESTMENT PROGRAM (Monthly)	0.000	0.000	1.831	1.831	1.831	3.005	6.067	6.067	6.136	8.218	8.218	8.218
Equipment	0.000	0.000	1.831	1.831	1.831	2.535	5.597	5.597	5.666	7.748	7.748	7.748
Coodinate Measuring Machine							0.434	0.434	0.434	0.434	0.434	0.434
Aircraft Wiring Harness							0.498	0.498	0.498	0.498	0.498	0.498
CNC Super Finishing Lathe							0.263	0.263	0.263	0.263	0.263	0.263
Large CNC Turning Lathe							0.475	0.475	0.475	0.475	0.475	0.475
Rotating Electric Shop Precision Cutting System						0.324	0.324	0.324	0.324	0.324	0.324	0.324
Small CNC Turning Lathe							0.302	0.302	0.302	0.302	0.302	0.302
Universal Cylindrical Grinding System						0.380	0.380	0.380	0.380	0.380	0.380	0.380
Flight Safety Critical Parts Inspection System							0.490	0.490	0.490	0.490	0.490	0.490
Plastic Media Blast System										2.082	2.082	2.082
Aircraft Corrosion Control Equipment							0.600	0.600	0.600	0.600	0.600	0.600
UH-60 Alignment Fixture			1.831	1.831	1.831	1.831	1.831	1.831	1.900	1.900	1.900	1.900
Minor Construction	0.000	0.000	0.000	0.000	0.000	0.470	0.470	0.470	0.470	0.470	0.470	0.470
Paint and Carpentry Facility						0.470	0.470	0.470	0.470	0.470	0.470	0.470
Project # & Name												
ADPE												
Project # & Name												
Project # & Name												
Software												
Project # & Name												
Project # & Name												

FY04 Execution Matrix
CCAD

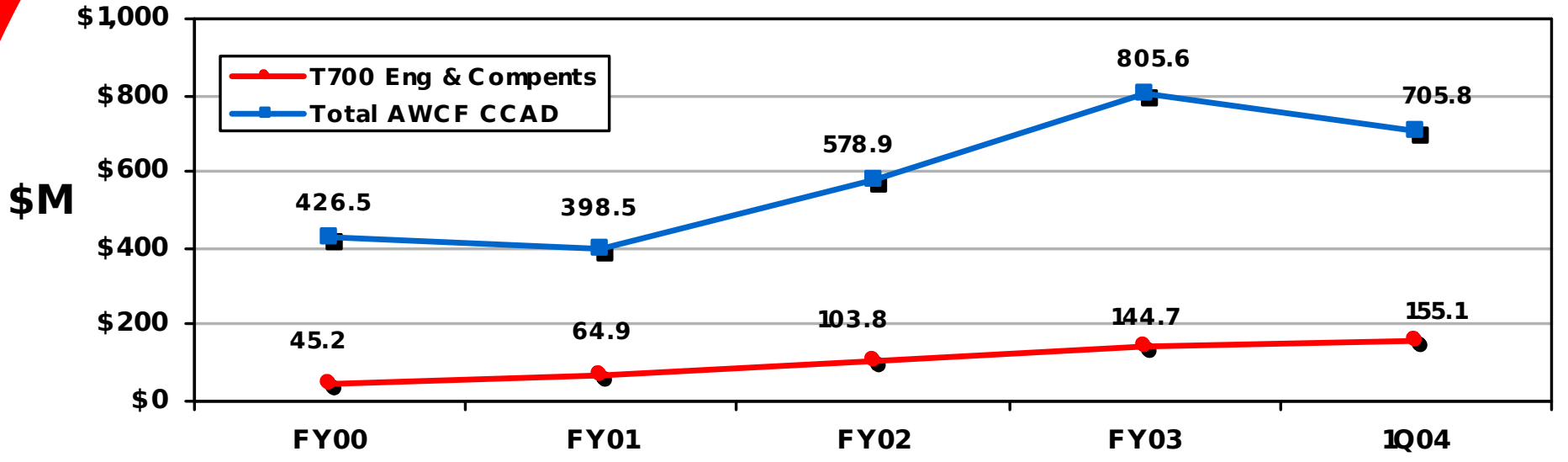
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Value of PY orders (1 Oct)	426.346	426.346	426.346	426.346	426.346	426.346	426.346	426.346	426.346	426.346	426.346	426.346	
Planned Revenue, PY Orders (Cum)	42.019	70.076	105.850	128.118	150.673	175.319	201.766	224.803	250.337	276.352	299.076	323.409	
Planned Unfilled Orders (Cum)	384.327	356.27	320.496	298.2284	275.6725	251.0268	224.5796	201.5433	176.0088	149.9939	127.2699	102.9375	
Value of PY orders (Actual)	426.346	418.946	418.946	418.946	418.946	418.946	418.946	418.946	418.946	418.946	418.946	418.946	
Actual Revenue, PY Orders	42.019	70.076	105.850										
Unfilled PY Orders	384.327	348.870	313.096	418.946	418.946	418.946	418.946	418.946	418.946	418.946	418.946	418.946	
Planned Value of New Orders	430.2634	510.703	582.013	597.207	613.589	670.322	682.262	697.093	724.912	775.911	801.654	815.309	
Planned Revenue from New Orders	4.744	21.918	51.897	99.23911	147.1941	199.5921	255.8204	304.7968	359.0845	414.3935	462.706	514.439	
Planned Unfilled New Orders	425.5194	488.784	530.116	497.9679	466.395	470.730	426.442	392.296	365.828	361.517	338.948	300.870	
Actual Value of New Orders	430.264	510.702	584.965										
Actual Revenue from New Orders	4.744	21.919	51.897										
Actual Unfilled New Orders	425.52	488.783	533.068	0	0	0	0	0	0	0	0	0	
Planned Value of New Orders for Reset			23.100	23.100	23.100	23.100	23.100	23.100	23.100	23.100	23.100	23.100	
Planned Revenue from New Orders for Reset					1.398	2.925	4.563	5.990	7.573	9.184	10.592	12.100	
Planned Unfilled New Orders for Reset	0	0	23.100	23.100	21.702	20.175	18.537	17.110	15.527	13.916	12.508	11.000	
Actual Value of New Orders for Reset	0	0	0	0	0	0	0	0	0	0			
Actual Revenue from New Orders for Reset											0	0	
Actual Unfilled New Orders for Reset	0	0	0	0	0	0	0	0	0	0	0	0	
Overtime planned -- as a percentage of total	7.3%	9.4%	10.3%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
Overtime worked -- as a percentage of total	7.3%	9.4%	10.3%										
Planned new hires to accommodate Reset workload	8	8	23	94									non-cum
Actual new hires to accommodate Reset workload	8	8	23										
Planned CFTs hired to accommodate Reset workload	2		7										non-cum
Actual CFTs hired to accommodate Reset workload	2		7										
Value of Commander's Commencement Orders accepted				4.618									

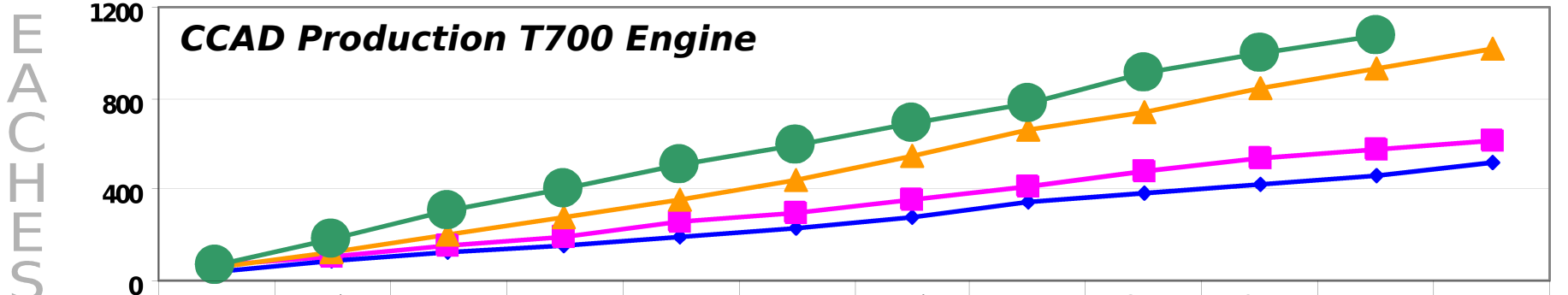
Depot Maintenance Summary
CCAD

Direct Labor Hours (K)	Total
Overtime	**365.604**
Second Shift	**Included in OT**
Contract Field Teams	**83.778**
Work Share Initiatives	
Civilian Employees	**3372.01**
Process Improvements/ Lean Savings	
Total	**3821.4**

Back-Up

CCAD Production
Vital To OIF Support
T700 Series/All Secondary Engine Items



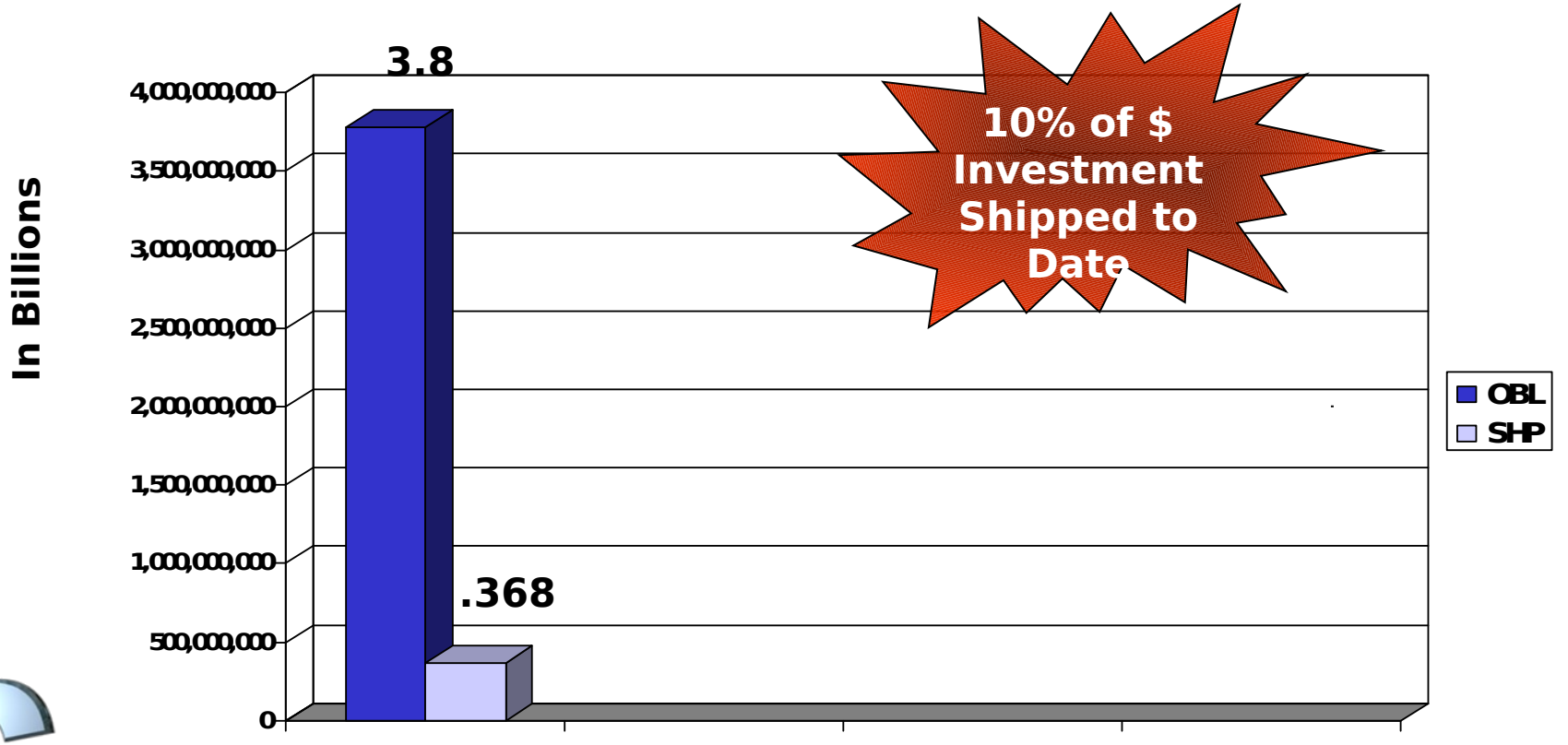


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2000 Cum	34	82	126	152	188	227	282	341	381	427	464	520
2001Cum	72	106	155	196	255	301	354	412	481	534	573	610
2002 Cum	53	127	197	274	356	437	544	660	743	842	927	1014
2003 Cum	63	180	303	401	505	596	690	782	916	997	1077	

AMCOM Investment

The Lead-Time Factor

Total Spares/Maintenance Dollars Obligated and Shipped From Major Suppliers – FY02-Pres



- **ACCELERATE RETURN ON INVESTMENT**
  - **CRITICAL FOR CURRENT AND FUTURE OPERATIONS**
  - **REDUCE LEADTIMES**
  - **INCREASE RATES OF DELIVERIES**

Production Leadtime

Metrics & Initiatives

- **Production Leadtime Metrics**
  - **Linear and dollar weighted production leadtime**
  - **Percent and delinquent contracts**
  - **Obligated verses shipped dollars for major suppliers**
  - **Backorders – Routine and NCMS**
- **Production Leadtimes Initiatives**
  - **Utilizing delivery incentives on several long term contracts to reduce leadtimes by 20 to 50 percent and/or increase monthly yields**
  - **Negotiate deliveries and rates on every action**
  - **Require contractors to identify barriers to early delivery and increased yields**
  - **Hosted industry days with major suppliers challenging senior**

CCAD "Lean" Initiatives

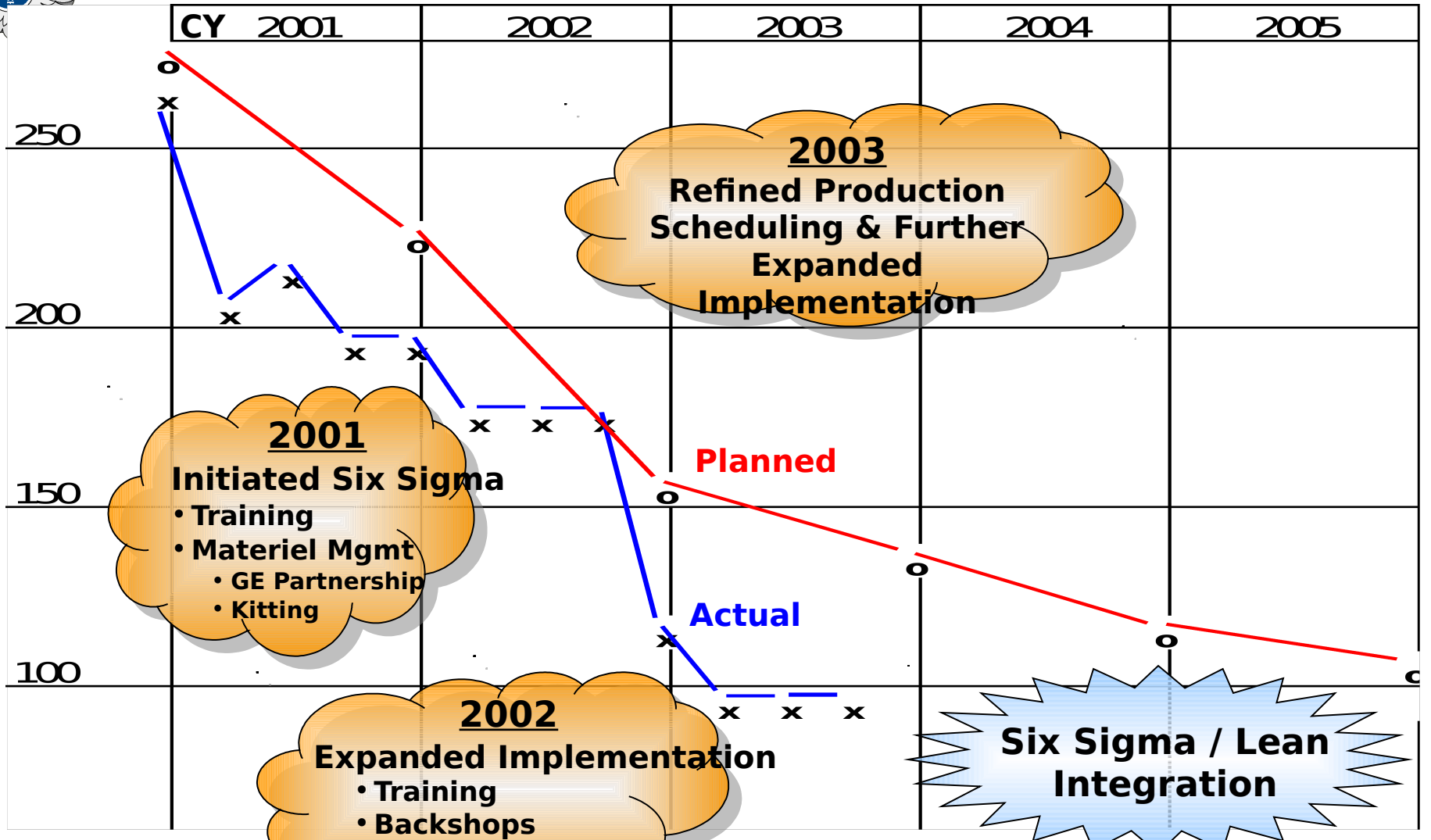
- **UH-60A to A Recap Program**
  - **Current Program = 327 Calendar Days Production**
  - **211cd First Induction Feb 04**
  - **150cd First Induction Mar 05**
  - ***GOAL – 150 DAY Turn-Around-Time (TAT)***
- **T700 Engine Program**
  - **Initial Value Stream Analysis Jul 03**
  - **1st Rapid Improvement Event (RIE) A**
  - **2nd RIE Oct 03**
  - **1st Pass Continues**
  - ***GOAL – 90 Day Turn-Around-Time (TAT)***
- **UH-60 Transmission Program**
  - **Initial Value Stream Analysis Jun 03**
  - **Conducted 6S Event Oct 03**
  - **1st Pass Continues**
  - ***GOAL – 45 Day Turn-Around-Time (TAT)***

Six Sigma Production With GE Partnership

Six Sigma Lean Integration Ongoing

T700 Engine Program

GE Partnership and Six Sigma Success

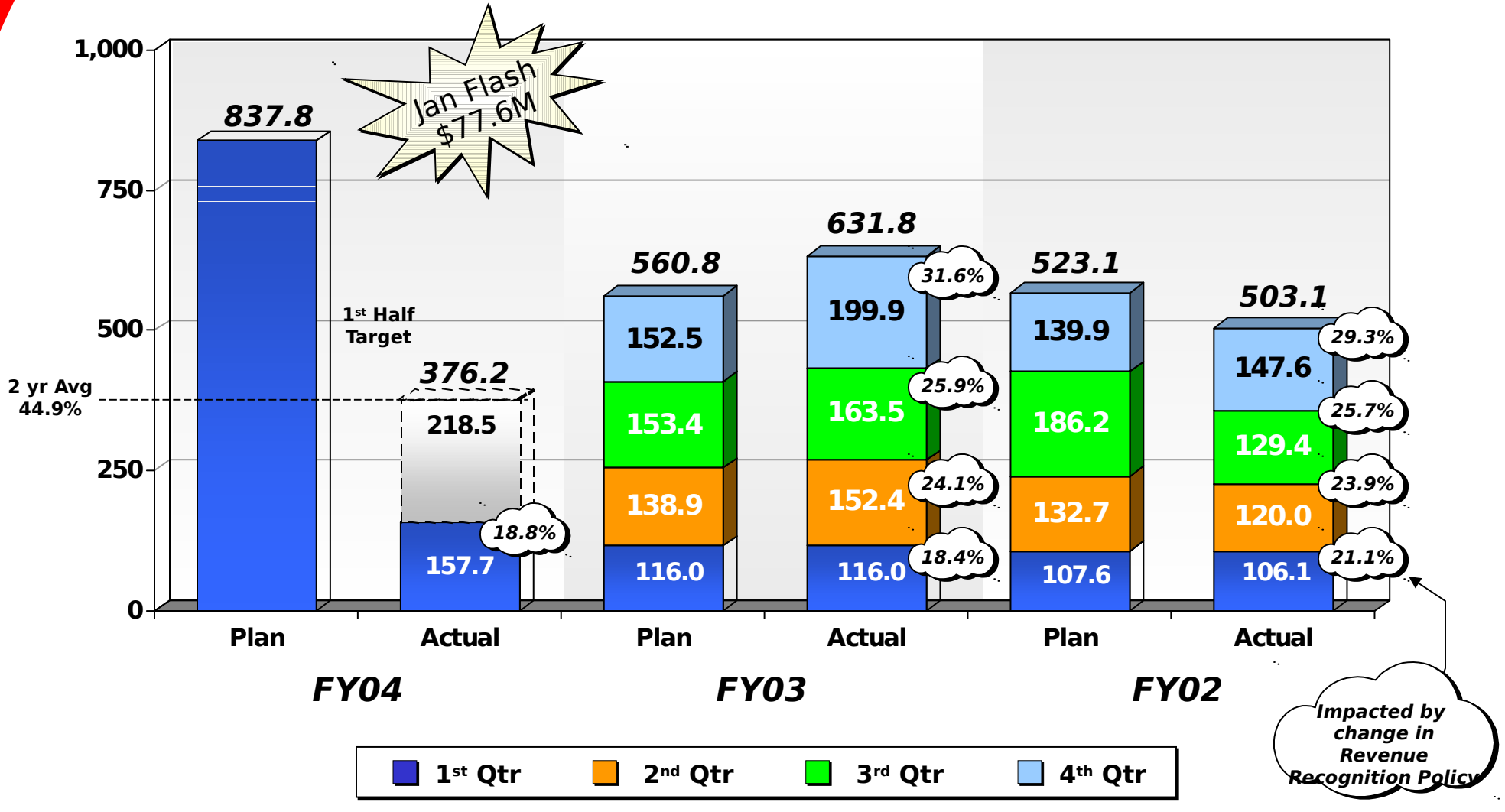


Trend Analysis

Revenue

$M

CCAD



Trend Analysis

Direct Labor Hours

$M

CCAD